

## **DAVE CORTESE**

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September 17, 2015

Julie Pierce, President  
Association of Bay Area Governments  
101 8th St, Oakland, CA 94607

Re: Planning Consolidation Proposal

Dear President Pierce,

Thank you for the extensive conversation last week regarding interests that ABAG is trying to further and/or protect during the current process and upcoming deliberation on my consolidated planning referral. Tomorrow, Friday September 18, 2015, Steve Heminger's formal written response to the Commission based on my original referral will be posted publicly as part of the MTC agenda for September 23, 2015. I believe based on a review of the early draft that many of ABAG's concerns have been addressed.

That said, pursuant to our discussion, I do want to assure you in writing of those commitments I communicated to you by phone to address your primary issues. I appreciate your promise to convey the contents of this letter to ABAG members at tonight's meeting:

### **FUNDING/VOTING/TIMING**

In response to the inquiry as to whether MTC would take up the Funding Agreement for an extension vote in September: The September 23 Commission meeting agenda will seek commissioner and public input and discussion on the initial response and proposal I requested of Mr. Heminger. No final action would be taken on any consolidated planning until the October Commission meeting. I have already asked that the ABAG Funding Agreement be agendaized for the October Commission meeting to be heard concurrently with the final Consolidated Planning Proposal. The two items will be heard in the alternative. If the planning consolidation is approved the funding agreement would be extended as necessary month-to-month until the transition is completed. If the planning consolidation is rejected by the commission I will call for a vote on extending the Funding Agreement to the end of the fiscal year, representing the status quo. THERE IS NO PROPOSAL TO BE PRESENTED BY MTC TO DEFUND ABAG. In this way ABAG employees can and should be reassured as soon as you receive this letter there is no Funding Agreement threat to their continued employment.

### **ABAG PERSONNEL RETENTION**

As stated in the guidelines I offered in my original referral memo the proposal coming forward from MTC is a 100% retention proposal, meaning that of the 15 planning positions proposed for consolidation nobody loses their employment as a result of the changes. All 15 ABAG employees would receive a significant increase in compensation by virtue of the higher salary range at MTC. In fact based on a midpoint comparison of the two

agencies salary ranges MTC salaries are 35% higher. Clearly this results in positive impact to the affected ABAG employees. THERE IS NO MTC PROPOSAL THAT WOULD IMPACT POSITIVELY OR NEGATIVELY THE EMPLOYMENT OF ANY OTHER ABAG PERSONNEL.

#### **ABAG OVERHEAD**

You expressed concern that overhead dollars in the Funding Agreement currently are still needed to support remaining ABAG staff. The forthcoming MTC consolidation proposal recognizes that in addition to the wages and benefits of the 15 planners to be moved to MTC's payroll there is also an additional approximate \$1,500,000 in the Funding Agreement currently that goes toward "overhead" for remaining ABAG "support" staff and operations. I have asked that this overhead amount be continued by funding agreement(s), unless through best efforts the two agencies are able to secure a new source of revenue to replace these dollars. So again, THERE IS NO MTC PROPOSAL THAT WOULD IMPACT POSITIVELY OR NEGATIVELY THE EMPLOYMENT OF ANY OTHER ABAG PERSONNEL. The MTC proposal is revenue neutral as to ABAG. I know this is of vital importance to you and I agree that per our conversation it should resolve your concerns.

#### **ABAG PLANNERS' NEW ROLE**

As to the 15 planning professionals who would become part of the new "full service" planning department I am committed to ensuring that they are placed in positions that take full advantage of their expertise and leadership and that they continue to be in positions that inform the ABAG Executive Board and ABAG's various committees and delegates, cities and counties objectively and professionally. I have discussed this with Mr. Heminger and Mr. Kirkey and it is clear to me that in bringing the final proposal together for the October Commission meeting we can further detail positions and responsibilities. The September version of the proposal will at a minimum identify "divisions" within the new full-service planning department in areas such as Housing and Economic Development, areas where ABAG planners will be depended upon to inform both ABAG and MTC and the entire SCS process.

#### **ABAG ELECTED REPRESENTATIVES RESPONSIBILITIES**

Of course you have had concerns about the continued relevance of all of us as appointees to ABAG in terms of our roles and responsibilities. As to governance, unlike some of the current ABAG proposals for consolidation or beyond, MTC is not promoting or advocating for any governance changes at either MTC or ABAG. Elected officials serving on the two agencies would continue the same decision making processes and identical governance composition as today; pursuing, approving or rejecting policy proposals as each agency board and its committees do now. The proposal coming forward from MTC does not contemplate any benefit from consolidating any agency activities other than the professional planning function.

Julie, again I appreciate that you have worked through these issues with me, giving me and the MTC team an opportunity to respond and allay concerns, some of which should now be unfounded.

Respectfully,

A handwritten signature in black ink, appearing to read 'Dave Cortese', with a stylized flourish at the end.

Dave Cortese  
MTC Chairman